

REMARKS

In the Office Action, claims 1-23 were rejected. The rejection of claims 1-23 is strongly traversed, and claims 1-23 remained pending in the present application.

Claims 1-5, 7 and 19-23 were rejected under 35 U.S.C. 102(b) as anticipated by the Williamson, Jr. et al. reference, US Patent No.: 6,668,936. This rejection is respectfully traversed.

In the Office Action, a statement was made that the Williamson, Jr. et al. reference "discloses the usage of 'one or more control lines 34, or other types of flow paths' (col. 3, lines 32-33)." (See Office Action, page 4). The Examiner also argues against Applicant's position by stating the "applicant quotes a section of the specification, column 6, where multiple lines are used to control multiple valves, but that does not exclude the presence of other embodiments where one hydraulic line can be used." (See Office Action, page 4). However, Applicant respectfully submits the Williamson, Jr. et al. reference cannot be relied on as providing this asserted teaching. Accordingly, the rejection should be withdrawn.

The Williamson, Jr. et al. reference discloses a hydraulic control system used to control well tool assemblies. Multiple well tool assemblies 12, 14, 16 and 18 are connected along a tubular string 20 positioned in wellbore 22. In one embodiment, the well tool assemblies are hydraulically operated to control fluid flow between wellbore 22 and corresponding formations or zones 24, 26, 28 and 30. The well tool assemblies are operated by control lines 36 that extend to the well tool assemblies from a control module 32. The control module 32 places "one or more of the control lines 34 in fluid communication with one or more lines 36". (See column 3, lines 29-40). Accordingly, control lines 36 operating in conjunction with control module 32 control operation of the well tool assemblies. The Williamson, Jr. et al. reference does not disclose the use of control lines 34 to control the operation of well tool assemblies but rather to provide input to control module 32. Furthermore, the reference completely fails to provide any

suggestion that an individual control line 34 is used to control both a flow valve and a cross-flow prevention valve.

Furthermore, the Williamson, Jr. et al. reference provides specific examples as to how control lines 34 are utilized. In one example, control module 32 is interconnected between lines 34 and lines 36 and operates in response to pressure in one or more of the lines 34. In this example, "pressure in one of the lines 34 may be increased to thereby provide fluid communication between another one of the lines 34 and one or more of the lines 36 to thereby operate one or more of the tool assemblies" (emphasis added). (See column 3, lines 41-46). In another example, the pressure differential between two of the lines 34 is used to cause control module 32 "to provide fluid communication between another one of the lines 34 and one or more of the lines 36." (See column 3, lines 47-50). In another example, a series of pressure differentials is applied to lines 34 to select certain one or more of the lines 36 for fluid communication "with certain one or more of the lines 34". (See column 3, lines 51-58). Throughout the disclosure and examples found in the Williamson, Jr. et al. reference, control module 32 and control lines 36 are used to control the well tool assemblies, and there is no teaching or suggestion for using a single control line 34 to control both a flow valve and a cross-flow prevention valve. Accordingly, the rejection of these claims should be withdrawn.

Additionally, the Williamson, Jr. et al. reference only illustrates and describes well tool assemblies as positioned in corresponding formations. Each of the well tool assemblies 12, 14, 16, 18 is "configured for controlling fluid flow between the wellbore 22 and one of multiple formations". (See column 3, lines 10-16). There is no teaching related to use of a cross-flow prevention valve disposed between valves associated with corresponding formations, as in the present claims. Accordingly, the Williamson, Jr. et al. reference again fails to support the present rejection under 35 USC 102(b).

By way of specific example, the Williamson, Jr. et al. reference does not disclose or suggest a flow valve controlling flow from one of the formations combined with a "cross-flow prevention valve selectively preventing flow between the formations" as recited in independent claim 1. Furthermore, the reference fails to disclose or suggest a flow valve "actuated with a

hydraulic control line" and a cross-flow prevention valve also "actuated with the hydraulic control line" as further recited in independent claim 1. Similarly, the Williamson, Jr. et al. reference does not disclose or suggest controlling flow from one of the formations with the flow valve combined with "selectively preventing flow between the formations with a cross-flow prevention valve" as recited in independent claim 19. Furthermore, the reference fails to disclose or suggest "actuating the cross-flow prevention valve and the flow valve with a single hydraulic control line" as further recited in amended, independent claim 19. Accordingly, independent claims 1 and 19 are not anticipated by the cited reference, and the rejection should be withdrawn.

Claims 2-5, 7 and 20-23 ultimately depend from either independent claim 1 or independent claim 19. These dependent claims are patentable over the cited reference for the reasons provided above with respect to their corresponding independent claims as well as for the unique subject matter recited in each of the claims 2-5, 7 and 20-23.

Claims 6 and 8-18 were rejected under 35 U.S.C. 103(a) as unpatentable over the Williamson reference in view of the Murray et al. reference, US Patent No.: 5,862,865. Claims 6 and 8-13 ultimately depend from independent claim 1 and are patentable over the cited references for the reasons provided above with respect to independent claim 1 as well as for the unique subject matter recited in these dependent claims. The Murray et al. reference provides no disclosure that would obviate the deficiencies of the Williamson, Jr. et al. reference as described above. The rejection of independent claim 14 along with its dependent claims 15-18 is respectfully traversed.

The Murray et al. reference describes an insert assembly for use in a gas lift operation that has a tubing safety valve 16 with a flapper 18. (See column 2, lines 14-18). However, the Murray et al. reference does not fill in the deficiencies of disclosure in the Williamson, Jr. et al. reference as largely discussed above. For example, neither reference discusses first and second multi-position flow valves positioned to control flow from adjacent formations in combination with a cross-flow prevention valve disposed therebetween to selectively prevent flow between the formations. By way of specific example, the cited references, whether taken alone or in combination, fail to disclose or suggest a "first multi-position flow valve controlling the flow

from a first formation; a second multi-position flow valve controlling the flow from a next adjacent active formation", and a cross-flow prevention valve "disposed between the first multi-position flow valve and the second multi-position flow valve to selectively prevent flow between the first formation and the next adjacent active formation" as recited in independent claim 14. The Williamson, Jr. et al. reference and the Murray et al. reference simply do not disclose this structure. Accordingly, no *prima facie* case of obviousness has been established, and the rejection of independent claim 14 should be withdrawn.

Claims 15-18 ultimately depend from independent claim 14. The rejection of these dependent claims should be withdrawn for the reasons provided above with respect to independent claim 14 and also because of the unique subject matter recited in each of the claims 15-18.

All pending claims are believed to be in condition for allowance. However, if the Examiner believes certain amendments are necessary to clarify the present claims or if the Examiner wishes to resolve other issues by way of a telephone conference, the Examiner is kindly invited to contact the undersigned attorney at the telephone number indicated below.

Respectfully submitted,



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